



CALPEEK

CALIFORNIA POLITICAL WEEK

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CAMPAIGN 2001: S.F. MUNICIPAL ELECTION UPDATE

Editor's note: Voters in the City/County of San Francisco go to the polls Nov. 6th to elect a new city attorney and to decide whether or not to create a municipal utility district (MUD). Here's our brief update & analysis...

...Some sources are predicting a very low turnout, perhaps as low as 17-19%. Ever since Sept. 11th it's been difficult for the news media AND voters to focus on this important election. What little attention there is seems to be focused on the battle to replace retiring City Atty. Louise Renne and on Measures "I" & "F." Measure I would create a municipal utility district, while Measure F would mandate an elected local PUC...

...City Attorney's race. There are four candidates in the race to replace Renne, but most sources now agree this is a 3-way race, with attorney Jim Lazarus leading Police Commissioner Dennis Herrera and attorney Neil Eisenberg. These same sources think land use attorney Steve Williams is out of the hunt. A poll conducted for Lazarus several weeks ago show him leading with 18% vs. 6% for Eisenberg, 4% for Herrera and 5% for Williams. A more recent poll taken for the S.F. POA by Corey, Canapary & Galanis has Lazarus at 19%, Herrera 14%, Williams 4% and Eisenberg at 3%. A huge 59% are undecided...

...Both Eisenberg and Herrera have started their mail programs, and of the two, Calpeek sources think Herrera will have the resources to make a Dec. 11th runoff, probably with Lazarus. Lazarus has been on cable tv since late September. He recently started to air two new ads. His first flight of cable tv propelled him into a frontrunner position. Very recently he picked up the endorsements of the S.F. Chronicle, the S.F. Recorder (legal newspaper) and Asian Week. Eisenberg won the endorsement of the S.F. Bay Guardian...

...Measures "I" & "F." There's no polling which has been made public, but behind the scenes the NO side (*The Coalition for Affordable Public Services* and the NO on I campaign) are definitely out there, taking the

political pulse of the city. *Coalition* sources say both of these measures are trending downward. However, much will depend on voter turnout: the lower the turnout, the better chances to defeat both. Of the two, "I" has the bigger impact. If approved, PG&E will get the boot, but that could prove costly. It's estimated that S.F. taxpayers could spend between \$800 million to \$1 billion to buy PG&E assets...

...FYI: S.F. labor is badly split on F & I. SEIU (with its *Labor Neighbor* PAC) is pumping money into the YES campaigns, while IBEW and CWA (and the Building & Construction Trades Council) are on the NO side. This is essentially a battle between private utility unions vs. public unions (SEIU). Stay tuned...

CAMPAIGN 2002: JONES STRATEGY TO GO AFTER RIORDAN MAKES NEWS, BUT WHERE'S THE MONEY?

Editor's note: This week Calpeek focuses on the gubernatorial campaign of CA Sec. of State Bill Jones(R). Of the three candidates seeking to oust CA Gov. Gray Davis(D) next year, Jones is the only one who has successfully run Statewide in Calif. Moreover, he's the only one of the three with solid State experience. But it's *iffy* whether or not he can raise the kind of money needed to communicate with the GOP base. His campaign team is optimistic. Here's our analysis & commentary...

...Jones and his team got some good press at the recently concluded CA Republican Party (CRP) convention in L.A. Had the CRP convention been a 3-day affair instead of a 6-hour gathering, there would have been more reporters and more opportunities for Jones to go after his two key targets of opportunity: Gov. Davis and ex L.A. Mayor Richard Riordan. Jones blasted Davis' leadership over the past 30 months, noting that Davis turned a \$20 billion surplus into a \$5-10 billion deficit because of the way the governor has handled the energy/power crisis...

...But it was Riordan who really got blasted. *Team Jones* had huge posters on display showing Riordan's long time link to Calif. Demos. And there was a big photo of Riordan

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with Davis (Riordan holding up Davis' arm in a victory pose). The whole idea was to reinforce what Jones has been hammering home for months – especially to the Republican base: Riordan is a **GOP traitor**. Even Bill Simon Jr. said he was *troubled* by Riordan's linkage to Demos. That's as far as Simon has ever gone in criticizing his long time friend. Both Simon and Jones are traditional conservatives vs. Riordan, who's a moderate...

... The press accounts (even Calpeek's) can't do justice to the blood on the floor after Jones strategist Ed Rollins got finished hammering Riordan. Rollins' key points: 1) the Demos who are currently advising Riordan (Clint Reilly, Pat Caddell and Susan Estrich) don't understand GOP politics – "Chaos follows where they are involved," Rollins said; 2) Riordan's base in L.A. isn't enough to win the GOP primary; 3) Riordan is arrogant and can't answer questions; 4) the dynamics of a 3-way race help Jones more than Riordan; and 5) Riordan can't beat Davis in the general election. Rollins told Calpeek he sees similarities in Calif. to the GOP situation in *New Jersey*. In that state's GOP primary (months ago), the establishment favorite, Bob Franks, was defeated by the anti-establishment conservative, Bret Schundler. An interesting comparison...

...Despite all the Riordan bashing, the key questions remains: can Jones raise the money? He's never been a great fundraiser and against the *deep pockets* of Simon & Riordan Jones would appear to be in trouble. San Diego businessman Richard Allen is Jones' finance chair and he's very optimistic. Despite this rosy assessment, Rollins notes bluntly: "We will be outspent in the primary."...

... In addition to Rollins and Allen, Rob Lapsley is the comp. mgr., with the very capable Sean Walsh as communications director (chief spin MD). TV/media will be handled by Larry McCarthy and consultants Ray McNally & Richard Temple are also aboard. It's a solid, veteran team...

...FYI: Adding to the Riordan bashing at the CRP's convention was Garry South. Yes, Gov. Davis' chief defender showed up to do his anti- Riordan number and the press wasn't disappointed. South said if Riordan is the GOP nominee, he won't be able to hold the GOP base. "Anti-gun, anti-death penalty, pro-choice. Are these (Riordan) positions are what warm the hearts of the GOP base??" Stay tuned...

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**CALIF. REPUBLICAN PARTY APPROVES NEW SET OF
BY-LAWS ENDING A 5-MONTH INTRA-PARTY FIGHT.**

Editor's note: The Calif. Republican Party(CRP) finally ended another bitter *intra-party fight* at its Oct. 27th convention in L.A. Oddly enough, this fight wasn't the usual conservative vs. moderate struggle. And few know for sure if these new by-laws adopted at the CRP's abbreviated gathering will help, but many seemed to think the by-laws changes were long overdue. Here's an update & analysis...

...By an almost unanimous voice vote, delegates voted to professionalize the CRP by reducing the power of the CRP chair and giving most of the daily operational authority to a *chief operating officer* (formerly known as the CRP's executive director). The real power of the CRP will now be in the hands of an operations committee and the Executive Board. The CRP chair's authority to set policy and extend political leadership over the Calif. Republican Party remains unchanged. In addition, there will now be 8 Regional Vice Chairs instead of the current 3. This will create some conflicts with key county chairs, but most think this can be fixed...

... The battle, which began in late Spring and ran through the early fall, pitted CRP Chair Shawn Steel against Gerald L. Parsky (a key Calif. Bush operative) who Steel appointed as chair of a Reform & Restructuring Cmt. When the final version of Parsky's plan was submitted to the full R&R committee, they voted 19 to 4 in favor. Steel's position was that the reforms took too much power away from the party chair. Shortly after Sept. 11th a compromise was reached, but the truth is Steel really didn't have the votes to block this by-laws change...

... Why the change? It really didn't have to do with Steel's leadership, but rather that of his predecessor, John McGraw. Under McGraw's chairmanship and under the old rules, McGraw had unlimited power and was not accountable to anyone for his actions. And during his time in office there were some controversial decisions made (Prop. 26 slate fiasco and the decision to help conservatives in a lawsuit against 3 moderate legislative primary winners). Bottom-line: Steel paid the price for McGraw's mistakes...

...But more important, major GOP contributors saw the CRP as being *dysfunctional* – because there was “no adult supervision,” as one GOP source told Calpeek. Will the donor community once again begin to help the CRP? No one knows for sure in this post Sept. 11th environment, but Parsky is hopeful these new by-laws will help. Stay tuned...

CALIF. INITIATIVE UPDATE: NUMBERS ASSIGNED.

Editor's note: Number have now been assigned to the 6 ballot measures on the Mar. 5, 2002, primary ballot...

■ **Prop. 40** – The Calif. Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Act of 2002. \$2.6 billion bond measure.

■ **Prop. 41** – Voting Modernization Act of 2002. \$200 million bond measure.

■ **Prop. 42** – Transportation Funding: Sales and Use Tax Revenues.

■ **Prop. 43** – Right to Have Vote Counted.

■ **Prop. 44** – Insurance Fraud.

■ **Prop. 45** – Legislative Term Limits. Local Voter Petitions.

...FYI: There are 6 initiatives still in circulation and another 10 initiatives at the AG's office awaiting *title & summary*. Five of the initiatives at the AG's office are from Gerald Meral. They are five different versions of the same initiative: *Traffic Congestion Relief and Safe School Buses Act*. Stay tuned...

CAMPAIGN 2002: CALIF. LEGISLATIVE PRIMARIES.

Editor's note: Here's another update in our continuing series of reports about key legislative primary contests. Remember: *Declaration of Intent* filings are due on Nov. 7th, with *Declaration of Candidacy* filings due Dec. 7th...

☒ **12th SD** – This is the OPEN seat of termed out State Sen. Dick Montieth(R-Modesto). About 70% of this SD is in the Central Valley and takes in 5 counties (Stanislaus, Merced, Madera, San Benito and Monterey counties). In terms of party registration, the numbers seem to favor a Demo: 50%(D) vs. 35%(R). However...

...On the GOP side there's former Assemblyman Peter Frusetta of Tres Pinos. He's a cattle rancher and during his 6 years in Sacto, he was often seen wearing a huge cowboy hat. And every two years the Demos would throw everything they had at him – to no avail. The Demos view of Frusetta: *all hat, no cattle*. Didn't make any difference. He still won. Frusetta, 69, thinks the registration numbers "fits him like a glove." The only other GOPer looking is Salinas ag businessman Jeff Denham, who ran for the Assembly in 2000, but lost. Of the two, Frusetta would be the favorite in a primary. Frusetta has hired Johnson Clark Assoc. of Sacto to run his campaign...

... On the Demo side, *remove* Assemblyman Simon Salinas of Monterey Co. He's decided to seek reelection. That leaves only one announced Demo: Larry Morse, chief deputy DA of Merced Co. Morse has racked up a huge number of local endorsements, including Merced Co. DA Gordon Spencer, Madera Co. DA Ernie LiCalsi, Merced Co. Sheriff Gary Carlson and former Assemblyman Sal Cannel-la(D). Modesto Mayor Carmen Sabatino and former State Sen. George Zenovich(D) are also backing Morse...

...Former Assemblyman Rusty Areias(D) is said to be looking here and may make an announcement about his political plans the week of Nov. 5th. What's interesting here is that Areias' wife, key Demo fundraiser Julie Sandino, has been helping Morse. Obviously that ends if Rusty runs, but our sources say Sandino has urged her husband to *keep his day job* as head of the CA Parks & Recreation Dept...

CAMPAIGN 2002: UPDATE ON U.S. HOUSE CONTESTS.

Editor's note: Here is another update on U.S. House primary contests...

☒ **9th CD** – Former Assemblywoman Audie Bock(D-Oakland) will challenge U.S. Rep. Barbara Lee(D-Oakland) in the Mar. 5th Demo primary. Bock announced her intent to challenge Lee on Oct. 18th. For those who may have forgotten, Lee was the only member of the U.S. House who voted against the resolution for a military response to the terrorist attack on Sept. 11th. (FYI: Lee voted for the big multi-billion dollar appropriations bill to fund military action, as well as for assistance to NYC)...

...In her announcement, Bock said, "The congressional oath that Ms. Lee took when she was sworn in requires her to defend the Constitution of the U.S. against all enemies, foreign and domestic. I believe that Ms. Lee's actions in response to the attack on America fail to adhere to that oath." Tough words, but will it be enough???

...Bock became front page news in 1999 she upset former Oakland Mayor Elihu Harris in a special state Assembly election. What made the upset even more noticeable was that Bock ran as a **Green Party** candidate. But soon after arriving in the Capitol, Bock switched her registration to independent, but lost her Assembly seat to Wilma Chen(D) last year. And now she's switched once again to become a Demo. Bock has once again hired Russo Marsh + Rogers (a GOP campaign firm) and she hopes to raise a huge war-chest. Most sources still think Lee wins the Demo primary, but Bock will get her share of protest votes. Remember: CA is no long an OPEN primary state, so GOPers can't cross over for Bock in the primary...

CALPEEK'S CONSULTANTS DIRECTORY ON SALE

Calpeek's 2001-02 *Directory of Campaign Consultants* is now on sale. There are about 300 listings in the Directory. Cost is \$30. Checks only. No credit cards and no invoicing. Send payment with your name, address, etc. (please type or print clearly) to Calif. Political Week or Calpeek, P.O. Box 1468, Beverly Hills, CA 90213. FYI: in most cases we're mailing the Directory in a white 10x13 envelope, with our return address clearly marked on the upper left corner...

CALPEEK'S INFOBAHN: POLITICAL SHORT TAKES.

Editor's note: Here are a few items, political & otherwise, worth noting...

■ **SCE/PUC Bankruptcy Deal on Hold** – A federal appeals court Oct. 30th temporarily blocked a deal between cash-strapped So. Calif. Edison and the PUC. The \$3.3 billion pact was agreed to about 2 weeks ago. The pact keeps current rates in place for 2 years; requires Edison shareholders to give up \$1.2 billion in dividends; and have SCE pay off existing debts. The stay was requested by The Utility Reform Network(TURN)...

■ **The "Other" GOP Gubernatorial Candidates** – While most of the attention is focused on the Big 3 GOP candidates for governor, there are at least two more in the hunt: Nick Jesson of Huntington Beach (www.nickjesson.org) and Danney Ball of Hemet (www.danneyball.com). Both were at the recent CRP convention in L.A. Jesson's brochure describes him as pro-life, pro-2nd amendment and anti-IRS. As for Ball, he's a C&W singer and his best known records are *I Traded My Horse for a Harley* and *Welcome to Hemet*. Yes, Ball's from Hemet. Ball wants to close the border with Mexico and stop illegal immigration; he's opposed to the death penalty and 3-Strikes; and wants to put prisoners to work at hard labor. Ball also is pro-public schools and anti-vouchers. Interesting positions...

■ **Gov. Davis Picks Up Key Support** – In his bid for a 2nd term, Gov. Gray Davis(D) has picked up several more key endorsements. He's now been endorsed by the powerful CA Teachers Assn.(CTA) and the CA State Sheriffs Assn. Davis has a near *grand-slam* from law enforcement groups and the day before CSSA announced its support, Davis also won backing from the CA Assn. of Highway Patrolmen...

■ **A New Top Gun for Riordan** – It's not a done deal, but Hill & Knowlton PR executive Ron Hartwig says it's about 98% done – that he'll leave H&K/L.A. and be the CEO of the Riordan for Governor campaign. Hartwig has been with H&K 20 years and while Riordan was mayor, Hartwig he worked with Riordan on several key projects.

Hartwig is not political per se, but his strength is in organizing and he spent time in DC during the Carter Administration working in the Dept. of Commerce...

■ **Costs Go Up – Even in Judicial Races** – A new study by the Civic Justice Assn. of CA notes that the average cost of running for County Superior Court judge in L.A., S.F., San Diego and Sacramento is about \$181,000 per seat/per candidate. And about 50% of all the funds raised for these races come from the candidates themselves. Average amount of self funding in the 4-county study area was \$87,479. The most costly judicial race in 2000 was in Sacto between attorney Trena Burger (she spent \$730,000) vs. Deputy DA Don Steed (he spent \$209,000). Ms. Burger won. All this spending for a job which pays only \$136,000 annually...

CALPEEK's NEW JOBS AND PERSONNEL NOTICES.

Editor's note: Here are some items to mark down in your notebook...

● The L.A. chpt. of PRSA will honor 3 at its awards ceremony Nov. 7th at the Park Plaza Hotel, L.A.: L.A. City Atty. Rocky Delgadillo; P/A exec. & cmp. consultant Joe Cerrell; and Laurie Kasper-Gwy, public policy mgr. at So. CA Gas Co...

● The Sacto office of Edelman Worldwide PR has won a 2001 Golden World Award from the Internat'l PR Assn. The award was for a 2000 campaign benefiting Sacto area tomato farmers (*Saving the Family Farm* campaign)...

● CA State Sen. Dick Ackerman(R-Orange Co.) has been named Of Counsel at the law firm of Rutan & Tucker, Orange Co.'s largest law firm...

● The L.A.-based law firm of Richards, Watson & Gershon has moved to 355 S. Grand Ave., 40th Floor, L.A. 90071. (213)626-8484...

● Tim Galvin has been named cmp. mgr. for Assemblyman Bill Leonard's BOE primary...

CALPEEK'S CALENDAR OF POLITICAL EVENTS

Nov. 5-6	So. Coast AQMD "Clear Air Technologies 2001" Internat'l conf. & expo, Disneyland Hotel, Anaheim.
Nov. 6	S.F. Municipal Election.
Nov. 9-12	IAPC 34 th World Conference, Malta.
Nov. 15	Calif.'s Future in the Balance seminar sponsored by Pat Brown Inst., AT&T – Wilshire Grand Hotel, L.A.
Dec. 4-8	Nat'l League of Cities convention, Atlanta.
Dec. 11	Special election – L.A. City 2 nd Council Dist.